

# State Planning Project For the Uninsured

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## Michigan Health Care Listening Tour Report

August 2006



Prepared by the Michigan Department of Community Health

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## Acknowledgements

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## **Michigan Health Care Listening Tour Report**

# ***Report on the Uninsured Health Care Listening Tour***

### **Introduction**

The Michigan Department of Community Health launched an exciting initiative in 2004 to develop strategies to provide access to health insurance coverage for all Michigan residents – Michigan's State Planning Project for the Uninsured.

One of the goals of the State Planning Project for the Uninsured was to expand the current knowledge base on uninsurance by engaging in data collection activities designed to uncover unmet need, barriers to insurance coverage, and system changes that need to occur for insurance to be extended to all Michigan residents. Data collection efforts included: a telephone survey of Michigan residents; a mail survey of Michigan employers; focus groups with employers, insurance agents and the uninsured; and town hall meetings to frame the issues and encourage dialogue among providers, policymakers, purchasers and the community at-large.

To learn about how uninsurance was impacting individuals and communities across the state, and to put a face on the uninsured in Michigan, town hall meetings were held in urban and rural communities, on the east and west sides of the state, and in the upper and lower peninsulas. Collectively the town hall meetings were known as the Michigan Health Care Listening Tour. This tour gave Michigan residents an opportunity to voice their concerns about health insurance issues. The Department of Community Health partnered with local organizations in each community to host the town hall meetings. Partners included hospitals, local Chambers of Commerce, local health departments, Community Mental Health agencies, unions, local health coalitions, and many others.

This report provides a sampling of comments made at each town hall meeting on the Listening Tour, as well as a synopsis of recurring themes. In total, more than 600 people participated in the Listening Tour.

### **Discussion Questions at Town Hall Meetings**

The following questions were asked at each town hall meeting on the Listening Tour:

- Who are the uninsured in your community?
- Why are they uninsured?
- Who should be the "players" in covering the uninsured?
- Who should pay for health insurance?
- How has the issue of the lack of health insurance affected your community?
- What is happening in your community to address or assist those without health insurance?

### **Location of Town Hall Meetings**

Town hall meetings were held in the eleven locations below. The Listening Tour began September 20 and concluded on December 14, 2005. The number of attendees at each event is also listed.

- Bad Axe - 15
- Detroit - 200+
- Flint - 125+
- Gaylord - 13
- Grand Rapids - 65
- Hillsdale - 28
- Iron Mountain - 46

- Kalamazoo - 30
- Macomb - 40
- Marquette - 14
- Sault Ste. Marie - 17

### **Call to Action**

Participants at all of the town hall meetings stated that it is imperative that something be done about the up to one million Michiganians who are uninsured. They felt that the lack of health insurance should be treated as an emergency, and, perhaps, even as a crisis. Participants expressed concern that they see more people becoming uninsured every year because fewer employers are offering insurance and individuals can't afford to purchase coverage. Additionally, several individuals stated that the uninsured have difficulty accessing care, which is a crisis not only for uninsured individuals and their families, but for society as well.

### **Funding Health Care**

Most participants at the town hall meetings supported everyone contributing toward the cost of health insurance for all residents and felt that businesses and individuals should all pay their fair share based on ability to pay.

### **Challenges to Employer-Sponsored Health Insurance Plans and Participants**

Several individuals expressed concern that increasing health care costs and cost shifting by medical providers result in higher insurance premiums for employer-sponsored group plans. As a result, employers, especially small business owners, are increasingly unable to afford the cost of health insurance for their workers. It is common for employers to shift annual cost increases to their employees through cost-sharing arrangements, including higher co-payments and deductibles; others ask workers to pay a larger portion of premiums each year. However, some workers are unable to afford these increased costs, decline coverage, and become uninsured.

Some employers fear they'll lose employees if they cut health insurance benefits altogether, but realize that eventually their plans will probably become too expensive to continue. This dilemma is critical for small businesses, whose health care costs are eating up their profits. Short of terminating their health plans, some employers are switching to catastrophic plans with high deductibles. These plans, however, result in some workers becoming effectively uninsured, because they can no longer pay the deductibles required before receiving benefits covered under their policies. Other employers attempt to control health insurance costs by keeping their workers on part-time status, so they are ineligible for benefits.

Participants expressed concern that rising health care costs and the shifting of costs within the health care system hamper Michigan's economy by stifling entrepreneurship, cause owners to close small businesses in order to take jobs that provide health insurance, and suppress small business start-ups.

For several years, Michigan has seen jobs transferred overseas as companies search for lower labor and production costs. According to one participant, a company he was familiar with moved to Canada to avoid having to pay for employee health insurance.

### **Challenges to Michigan's Low-Income and Uninsured Residents**

Participants stated that as insurance costs increase, fewer low-wage earners receive employer-based coverage. It is impossible for most low-income individuals and families to afford an individual policy.

Difficulties the uninsured experience in accessing care was frequently discussed. The uninsured are most vulnerable in terms of not being able to access health care, and their ranks appear to be growing. Staff at one local free clinic sees increasing numbers of uninsured individuals who previously had health coverage.

Participants repeatedly stated that most of the uninsured are employed; however, many low-wage workers cannot afford their share of the premium for health insurance plans offered by their employers.

Low-income individuals, who are unable to afford health insurance premiums, are typically charged considerably more for their medical services than are the insured. This happens because medical providers charge the uninsured the full cost for services, while the insured pay discounted rates negotiated by insurance companies for their customers. As a result of the high cost of care, uninsured individuals who become seriously ill face the real threat of bankruptcy. About one-half of all U.S. bankruptcies now include unpaid medical bills.

Those who leave or lose a job that provides health insurance typically can't afford Consolidated Omnibus Budget Reconciliation Act (COBRA) health benefits. COBRA allows individuals to continue health insurance after specific events, for a specified period of time, if the individual pays the premium. Since few individuals who lose their jobs are able to afford the COBRA premiums, many lose their health insurance, along with their jobs. If they have children, the children are often enrolled in MICHild or Medicaid and the adults are uninsured.

Many participants stated that they felt the patchwork of insurance and coverage programs we have is too expensive and doesn't meet the needs of most Michigan residents. As a result, those without insurance don't receive the care they need in a timely fashion, so they are sicker and their care is more costly when they finally receive it. At various town hall meetings, participants expressed concern that the lack of dental, mental health and substance abuse care and treatment for the uninsured leads to greater health care expenses in the long run.

Another common concern was the lack of prescription drug coverage for the uninsured, along with the lack of access to specialists, particularly in rural areas of the state.

Participants discussed specific groups who are disproportionately represented among the uninsured. These include young adults, part-time workers, early retirees, health care workers, farmers, small business owners and their employees, divorced individuals, low-wage earners, construction workers, seasonal workers, substitute teachers, paraprofessionals, and women aged 55 to 64, many of whom are caregivers.

Medicaid recipients have problems finding providers under the Medicaid program because of low reimbursement rates. As a result, Medicaid recipients increasingly access care at free clinics, which are intended to serve the uninsured. Other Medicaid recipients go to free clinics because they can't afford the deductible amounts under the Medicaid Deductible Program. Despite their difficulties in accessing care, some Medicaid recipients are reluctant to secure employment for fear of losing their Medicaid coverage.

### **Beliefs, Values and Recommendations to Improve Our Health Care System**

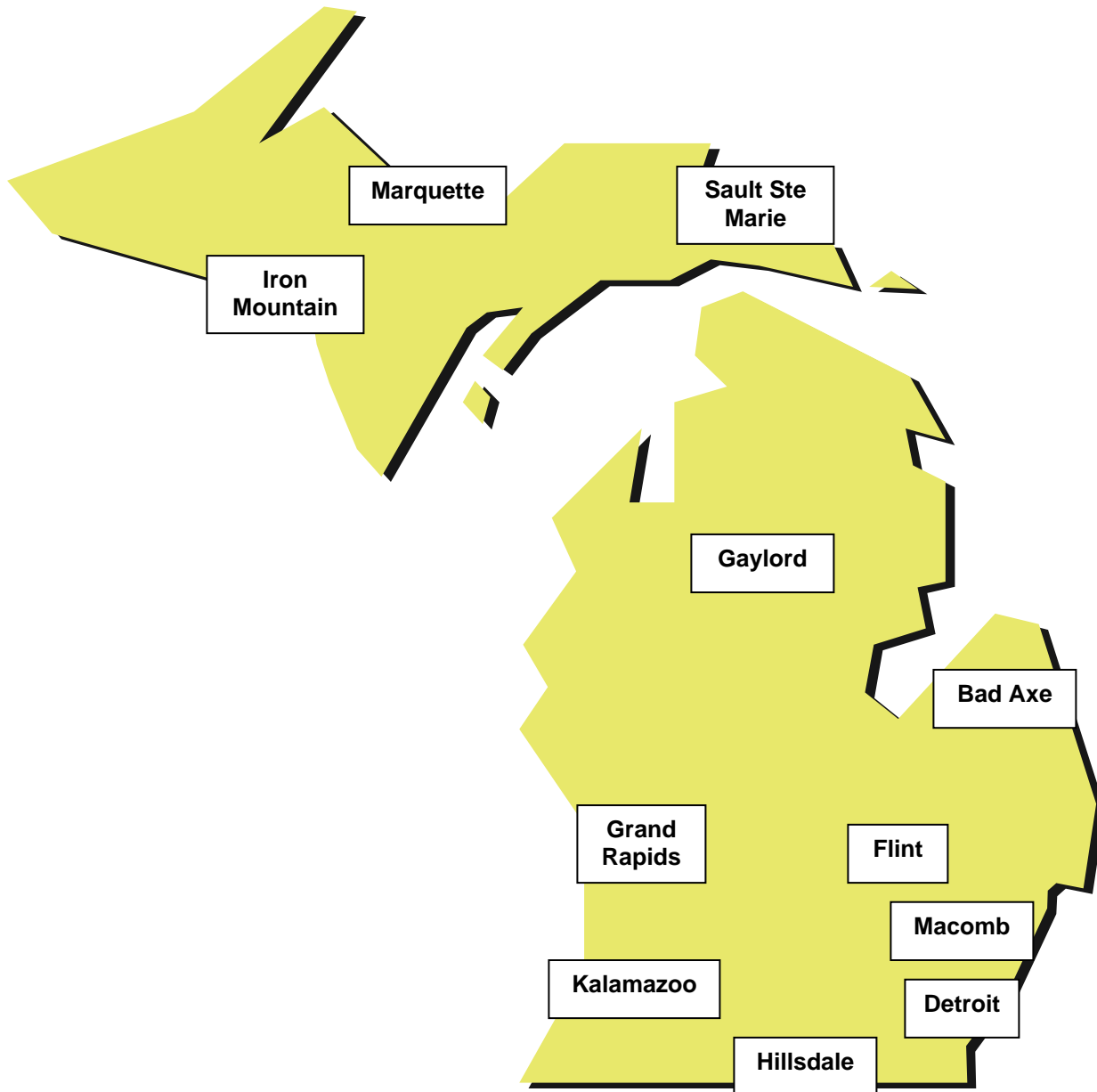
Participants across Michigan believed that health care must be available to all, and that it should include a basic array of preventive care, screenings, primary health care services, disease management and hospitalization. They also thought that each individual should be responsible for making wise lifestyle choices to reduce health care costs.

It was stated at every town hall meeting that preventive care must be provided to all Michigan residents, since primary prevention services save money, in addition to enhancing one's quality of life. Participants felt that management of chronic disease would also make good financial sense, because it could prevent, or at least limit, episodes of critical illnesses.

Finally, many felt that we need to reduce the administrative expenses of health insurance and use those funds to provide health care to Michigan's uninsured.

## APPENDIX I

### LOCATION OF TOWN HALL MEETINGS FOR THE UNINSURED



## APPENDIX II

### FLYER OF INVITATION TO TOWN HALL MEETINGS

### **YOU ARE INVITED TO ATTEND** **MICHIGAN'S HEALTH CARE LISTENING TOUR**

**What is a Health Care Listening Tour?** The Health Care Listening Tour is an opportunity for Michigan citizens to tell the State their concerns about the impact that lack of health insurance is having on them and their communities. Local organizations in each city are hosting a town hall meeting for the Michigan Department of Community Health so we can hear from local residents, put a face on the data we have gathered, and hear about the impact that the lack of health insurance has on individuals, families and communities.

**Why is the Michigan Department of Community Health having a Health Care Listening Tour?** Michigan has received a grant from the federal government to develop a plan that puts forth a set of realistic strategies and viable options that will lead to health insurance coverage for all Michigan residents.

**What does the Health Care Listening Tour have to do with you?** The lack of health insurance has an impact on all of us, whether or not we have health insurance. You can have a hand in charting Michigan's future relative to expanding health insurance to all residents by attending the town hall meeting in your area and telling us your concerns.

**How can you help?** The Michigan Department of Community Health is looking for your opinion on the following issues:

- 1) Who are the uninsured in your community?
- 2) Why are they uninsured?
- 3) Who should be the "players" in covering the uninsured?
- 4) Who should pay for health insurance?
- 5) How has the issue of the lack of health insurance affected your community?
- 6) What is happening in your community to address or assist those without health insurance?

#### **Schedule of Town Hall Meetings on the Health Care Listening Tour**

City	Location	Date	Time
Flint	Riverfront Character Inn	Sept. 20	4:00 – 7:00
Gaylord	University Center	Sept. 22	4:00 – 7:00
Detroit	Marygrove College Conference Center	Oct. 13	6:00 – 8:00
Hillsdale	Dow Leadership Center, Hillsdale College	Oct. 19	4:00 -- 6:30
Bad Axe	Huron Memorial Medical Center	Oct. 20	6:30 – 8:00
Kalamazoo	County Board of Commission Chambers	Oct. 24	4:30 – 6:30
Sault Ste. Marie	Lake Superior State Univ.- Cisler Center	Oct. 26	4:00 – 6:00
Marquette	Holiday Inn of Marquette	Oct. 27	6:00 – 8:00
Iron Mountain	Pine Mountain Resort	Nov. 2	4:00 – 6:00 cst
Grand Rapids	Grand Valley State University-Eberhard	Nov. 14	5:00 – 7:00
Macomb	Warren Woods Tower High School	Dec. 14	6:00 – 8:00

*If you require special accommodations, please contact the DCH office at: (517) 241-2966.*



## APPENDIX III

### FACT SHEET DISTRIBUTED AT TOWN HALL MEETINGS

#### FACTS ABOUT OUR HEALTH CARE SYSTEM

##### Michigan

- **Over 13% of Michiganians under the age of 65 (more than 1.1 million) are uninsured.** (2004 Census Bureau Data)
- **54% of uninsured Michiganians work full-time or live in a family with a full-time worker. An additional 11% work part-time or have a part-time worker in their family.** (US Census Bureau)
- **57% of uninsured Michiganians are below 200% of poverty.** (US Census Bureau)
- **In Michigan, 24% of 18-to-29 year olds are uninsured.** (US Census Bureau)
- **In Michigan, 61% of businesses offer health insurance to their employees. 91% of firms with more than 50 employees offer insurance, but only 50% of firms with fewer than 50 employees do so.** (Medical Expenditure Panel Survey)
- **In 2005, health insurance premiums in Michigan for a family with employer-sponsored coverage include, on average, \$730 to cover the cost of health care for the uninsured.** (Families USA)
- **Michigan will spend more than \$1.1 billion in 2005 to provide uninsured residents with health services, often for preventable diseases or diseases that physicians could treat more efficiently with earlier diagnosis. This will grow to \$1.6 billion by 2010.** (Families USA)

##### United States

- **Americans spend \$5,267 per capita on health care every year, almost two-and-a-half times the industrialized world's median of \$2,193 and more than any other nation.** (The Moral Hazard Myth, Malcolm Gladwell 8/22/05 and National Coalition on Health Care)
- **The portion of the gross domestic product consumed by the health sector in the United States is 15.6%, as contrasted with 10.9% in Switzerland, 10.7% in Germany, 9.7% in Canada and 9.5% in France.** (Kenneth Thorpe, PhD, Emory University and Organization for Economic Cooperation and Development)
- **Americans have a lower life expectancy than residents in 28 other developed nations; we rank 28<sup>th</sup> in infant mortality and last in deaths from heart disease.** (United Health Foundation)
- **Over the past five years the average annual increase in inflation has been 2.5%, while health insurance premiums have escalated an average of 11.4 % annually.** (Medical Expenditure Panel Survey (MEPS) June 2005)
- **45 million Americans are currently uninsured.** (Kaiser Foundation and Commonwealth Fund)
- **Nationwide, eight percent of employers with at least 1,000 workers said they had eliminated subsidized retiree health benefits for some workers this year, and 11% more said they probably would do so next year.** (Hewitt Associates)
- **The number of companies that offer health coverage to retirees has steadily declined for 15 years.** (Hewitt Associates)
- **Since 2000, the cost of employer-based health benefits increased at a rate five times more than that of wages.** (Health Research & Educational Trust)
- **The average nationwide annual premium for employer health plan for a family of four is almost \$10,000 and is predicted to rise to \$14,000 in 2006.** (National Coalition on Health Care and Kaiser Foundation)
- **Lack of insurance compromises the health of the uninsured because they receive less preventive care, are diagnosed at more advanced disease stages, and once diagnosed, tend to receive less therapeutic care and have higher mortality rates than the insured.** (The National Academies Press)
- **Two in five Americans aged 19-65, or 77 million Americans report they had problems paying medical bills in the last 12 months or were paying off medical debt they had accrued over the past three years.** (Commonwealth Fund)
- **Medical debt now accounts for as much as 50% of personal bankruptcies.** (USA Today)

Health care delivery in the United States is an enormously complex enterprise, and it's more than \$1.7 trillion annual expenditures involve a host of competing interests. While arguably the nation offers among the most technologically advanced medical care in the world, many feel that the American system consistently underperforms relative to its resources. Gaps in financing and service delivery pose major barriers to improving health, reducing disparities, achieving universal insurance coverage, enhancing quality, controlling costs, and meeting the needs of patients and families.

## APPENDIX IV

### THEMES FROM EACH TOWN HALL MEETING

#### **FLINT – 125+ attendees**

**Date: September 20, 2005**

- Everyone should have health care.
- Provider reimbursement is a problem under Medicaid.
- The uninsured can't afford to purchase private insurance.
- People sometimes have to wait in a physician or dentist's office all day for free care.
- Many people testified about their need for various types of health care they couldn't receive since they don't have health insurance.
- Dental, mental health, and OB/GYN care, as well as birth control are needed.
- Businesses are experiencing steep increases in health care costs for employees and won't be able to keep it up. Employers fear they will lose employees if they cut health insurance benefits, but they know at some time insurance will become too expensive. Health care costs eat up the profits of small businesses.
- Preventive care would save money in the long run.
- Direct care workers provide health care, but don't have insurance themselves.
- Hospitals are providing increasing amounts of uncompensated care.
- A single payer system would be more efficient.
- Access to care for Medicaid patients is a big issue.
- We need public investment in health care.
- Everyone needs health care so we shouldn't be spending so much money to determine eligibility under the patchwork of programs we have.

#### **GAYLORD – 13 attendees**

**Date: September 22, 2005**

- Individuals on Medicaid are underinsured.
- Medicaid recipients can't get care due to low provider reimbursement rates, so increasingly they are getting care at free clinics.
- Most of the uninsured have jobs, some have two part-time jobs.
- Employers are dropping coverage.
- Too few get preventive care and substitute episodic care for illnesses or crises they get due to lack of prevention and unhealthy life styles.
- Primary care, mental health care, substance abuse treatment and dental care are needed.
- Released prisoners need health care.
- The problem of uninsurance is growing.
- Those without insurance get charged the full rate for health care services while those with insurance are charged a reduced rate negotiated by their insurer.
- Catastrophic coverage may lead to uninsurance if people can't pay for deductibles.
- Michigan's uninsured residents experience additional costs in terms of illness, death, disability, learning disabilities, and so on because they don't get the health care they need.
- Free clinics work because they have minimal bureaucracy, comprehensive benefits, and people are able to come when they need care. Most don't come until they are really sick.

- If employers are required to provide health insurance in Michigan, there is a fear that businesses won't settle in Michigan. Some fear there would be more part-time employment to avoid the mandate and some employers simply can't afford coverage.
- The one-third share program is good but doesn't cover dependents.
- People who are healthy, like young adults, are tough to get into the insurance market because many feel they don't need health insurance.
- The group thinks health care should be paid for through income or sales tax so everyone has insurance and shares in the cost of providing it.

## **DETROIT – 200+ attendees**

**Date: October 13, 2005**

- Health care is a right.
- We should approach the issues of uninsurance with a sense of urgency.
- Prescription coverage is an issue.
- National Nurses Organizing Committee is advocating for a single payer system.
- COBRA frequently does not cover dependents and is generally unaffordable.
- The uninsured get drugs through free programs of pharmaceutical companies.
- Getting diagnostic tests is difficult for the uninsured; many treatments also aren't covered.
- Many direct care workers don't have insurance and can't afford to buy it. We should treat lack of health insurance as a national disaster.
- One man lost his job due to an injury. He also lost his insurance and had to pay cash for physician visits.
- There is a maze of health care coverage.
- There is concern that the uninsured pay more for care than the insured.
- People on Medicaid can't always get the care they need. They particularly have problems accessing dental and vision care.
- One person was cancer-free for six years. She had a business but had to close and thought her employees could get COBRA; however, COBRA is not available if an employer goes out of business. She said we should change COBRA laws to include everyone who loses their insurance.
- There is concern about the lack of mental health and substance abuse coverage.
- Concern was expressed about those who don't qualify for any public program or can't find out about programs that could benefit them. Criteria to get coverage are too complicated. Some can't prove they are disabled and get assistance because they can't afford the tests.
- The past year, a free clinic in Mount Clemens added 1000 patients at two clinics that are each open 30 hours a week. The clinics see people who need follow-up care after they are discharged from a hospital. It is hard to get specialty services for clients since specialists typically don't see low-income and uninsured individuals.
- Many businesses can't afford to insure employees. Some let employees go just before they become eligible for insurance.
- Lack of health care is a crisis.
- Some kids with Medicaid have parents who aren't eligible.
- Prescription coverage is a major issue.
- It is hard to get physicians to treat the uninsured.
- Business tax cuts aren't real because it is costing more in health care. Lack of health care is hurting business prospects and costing them big.
- School-based health centers need to be better funded – they see over 3000 kids a year.
- Businesses are limiting or eliminating coverage. Increases in insurance are too much for small businesses.

- Restrictions on small groups keep many from getting insurance. Americans pay more for health care than anywhere else in the world, and have fewer people covered compared to other developed, high income countries. Everyone should have health insurance.
- Employees should be taxed to pay for universal health care coverage for everyone.
- Immigrants don't get any care except emergency and urgent care. Few qualify for Healthy Kids, but get MICHild. MICHild is a good program since there is less bureaucracy and verification.
- Kids get dropped from Medicaid because of difficulty in compliance. There should be fewer obstacles for Healthy Kids.
- Health Department Clinics are overwhelmed.
- We need to coordinate bureaucracies.
- Some employers pay for the worker's health insurance, but not dependents and it is too expensive for the employee to purchase coverage for them.
- The uninsured can spend all their savings on a simple illness or broken bone.
- We don't have a health care system. We need to serve all citizens – national health care is needed.
- Health education is important. Prevention is critical.
- Some parents are reluctant to get MICHild and Healthy Kids – why can't kids apply on their own?
- We need to insure all kids.
- The uninsured can get medication and labs but not x-rays and MRIs.
- The high cost of medical care is making people go out of business.
- We should have a single payer plan here in Michigan. People and businesses would move to Michigan if we had a single payer system.
- Everyone should be covered.
- One woman said she can't get insurance and she is pregnant.
- We need coordination of services – different agencies have different hoops.
- Health care is a "justice" issue. The U.S. is the only industrial country without universal coverage. We need universal health care.
- The World Health Organization ranked the U.S. health care system 37<sup>th</sup>, right after Costa Rica. We spend 20 – 24% of health care dollars on administration. This is twice the amount other countries pay.
- We lack political and public will for universal coverage.
- We need dental care as primary care.

### **HILLSDALE – 28 attendees**

**Date: October 19, 2005**

- Everyone should have health care.
- Preventive care is critical. The uninsured currently wait until they are very ill to access care.
- Everyone should pay toward health care for all - employers, individuals. Everyone should pay something based on income.
- Mental health care and dental care are critical.
- We need to reduce bureaucracy and paperwork in today's systems.
- Universal basic care is essential for all residents. Under such a program, all Michigan residents would receive basic health care, and those who could afford additional coverage would be permitted to purchase insurance for specialty services and care beyond that provided under a basic policy.
- Health insurance shouldn't be tied to employment.
- There should be personal responsibility for people to engage in healthy lifestyles.
- We should look at the cost of drugs and pharmaceutical advertising as issues. Drugs are much cheaper in other countries.
- Tort reform is an issue.

- We need to capture all funds currently spent on health care to revamp the system. That includes capturing funds under the medical component of auto insurance, workers' comp, liability, etc.
- We should determine how much it would cost to provide basic care to all Michiganians, what the available sources of revenue are and where we could garner additional funds to provide health care to everyone, if additional funds are needed.
- Employers must contribute to a universal health care system.
- Women 50 – 64 are increasingly uninsured. Many are caregivers for family members.
- Too many people are financially ruined due to health care expenses.
- Divorce frequently leaves some family members uninsured at a time in their life when stress can cause additional health care problems. We need portable coverage.
- Many people who are uninsured have jobs; however, some employers who only provide health insurance to full-time workers, keep many of their employees on part-time status so they don't have to provide health insurance. Others work for employers who don't offer health insurance to any of their workers.
- Some people with Medicaid deductible go to free clinics because they can't afford their deductibles.
- Many uninsured with chronic conditions are getting emergency care rather than continued care for their conditions. This costs more and causes ill health for the person.
- We must do something. The current system results in poor health, stifles entrepreneurship, makes people choose between food and health care, causes bankruptcies, keeps people who want to work from doing so, stops small business start-ups, and causes people to give up small businesses and take jobs that provide insurance.

### **BAD AXE – 15 attendees**

**Date: October 20, 2005**

- Dental care and mental health services are desperately needed services and should be included in basic health care in the future. Free clinics deal with many mentally ill individuals.
- The area of the state around Bad Axe is losing manufacturing jobs. Many workers are in low wage jobs that don't offer health insurance.
- Small businesses can't afford to provide insurance.
- Farmers can't afford to purchase coverage in bad years, so many are uninsured.
- Many workers are kept on part-time status so employers don't have to offer health coverage.
- Small towns often don't have sufficient numbers of providers, especially specialists, so people must go to cities for care. Many low-income don't have a car and public transportation is generally not available. Additionally, even if public transportation is available, it often doesn't go to the nearest city since it doesn't cross county lines.
- Those without insurance often don't get care in a timely fashion and are sicker when they appear at a free clinic or emergency room.
- Many of the uninsured don't want charity care; they are willing to pay what they can.
- People on Medicaid deductible frequently can't afford the deductible. If they had that kind of money they would buy insurance.
- Filling out Medicaid forms is complicated and citizens don't get help completing them.
- Expanding Medicaid is a good idea since the system is already in place.
- Most agreed an increase in taxes to provide health care to all is a good idea. Some suggested increasing sin taxes, especially on alcohol. Most thought employers should pay something. One person suggested increasing deposits on bottles to \$.25 and rebating only \$.10, so the \$.15 could be used for health care, since pop and beer contribute to health care costs.
- All agreed that preventive care is critical.
- There are no providers of Medicaid dental in the thumb area.

- Some people are losing their Medicare Part B unintentionally and don't realize there is a large penalty to reinstate it.

## **KALAMAZOO - 30 attendees**

**Date: October 24, 2005**

- Prevention is critical and makes good economic sense.
- Mental health care is necessary as basic care.
- We need to provide health care to all.
- We must manage end of life care.
- Almost everyone raised his or her hand in favor of having an additional one percent income tax levied that would be dedicated to health care.
- There are only two providers that serve Medicaid recipients in the area, one in Benton Harbor and one in Niles and they will reach their cap soon in Benton Harbor. There is no one that will serve additional clients.
- There is a growing number of uninsured accessing care through free clinics. They are constantly seeing uninsured people who would have previously been insured. They now see uninsured middle class individuals.
- Providers can't afford to serve just Medicaid patients because they will go broke.
- The laid off can't afford COBRA. They enroll kids in MICHild and the parents go without insurance
- Adults 20 to 50 years old with disabilities have to wait 24 months before they get Medicaid and can't get commercial insurance, so they are uninsured.
- Hospitals with too many Medicaid patients can go under; Albion Hospital closed.
- Medicaid pays 35% of costs. Medicare pays better, but not at cost. Blue Cross Blue Shield negotiates reimbursement rate with providers so they also don't pay the full cost of care.
- If Medicaid and Medicare paid the Blue Cross rate, then the cost of insurance would go down 20% since providers would lose less on public programs and thus not shift costs to make up for their losses.
- Support for everyone paying a one to two percent tax on income, including businesses, was articulated. Funds would go to a medical national trust fund to provide health care to everyone.
- We are already paying for health care for everyone in many ways through Workers' Compensation and auto insurance.
- There are too many administrative layers to our health care system.
- Most people who use a clinic are willing to pay something.
- Having a basic level of health care for everyone just makes sense.
- People with Medicaid Deductible are under-insured.
- Many groups access free drugs from companies for low-income and uninsured individuals.
- Prescription and dental coverage are the toughest services to provide.
- People have to choose between food and medicine so they don't stop disease progression. We aren't making headway with prevention and dental care.
- We need an incentive package for employers to provide preventive care – health and wellness.
- Some support single payer universal health care.
- Shifting employees to part-time, so employers don't have to pay insurance and retirement benefits, is increasing.
- A Tonik program in California allows young workers to buy health care insurance [www.tonikhealthcare.com](http://www.tonikhealthcare.com) This program will next target those forced into early retirement.
- The uninsured do get care, but it's costly.
- Many people don't seek care because they can't pay for it.
- We should look at living healthier life styles to reduce our health care costs.

## **SAULT STE. MARIE - 17 attendees**

**Date: October 26, 2005**

### Who are the uninsured?

- Construction workers' families
- Seasonal workers
- Substance abuse clients
- Mental health clients who don't qualify for a disability
- The self-employed
- Small business owners and workers
- People who can't afford monthly premiums
- Divorced people
- Young adults, including college students
- Widows before age 65
- Workers at businesses that change hands
- People with high co-pays, deductibles and premium shares that can't afford them
- Underinsurance is an issue
- People who can't afford COBRA
- Contract employees
- Women 50-64
- Part-time workers – kept part-time so they don't qualify for coverage
- Employees of employers who can't pay increased premiums
- Workers in the service industry
- Workers in small manufacturing companies
- Children's access is better than adults' access.
- The uninsured wait too long to get care – they get sicker than they should without getting treatment.
- Preventive care is critical.
- Malpractice insurance is very expensive, especially for Obstetricians.
- People use emergency rooms for routine care.
- Health care costs lead to many bankruptcies.
- Lack of mental health care leads to poor parenting and acting out against family and the community.
- Co-occurring mental health issue and substance abuse are a problem.

### What works now?

- Community Health Access Program, but that requires physicians to volunteer their services.
- Coordination/collaboration between systems and organizations in the UP is good.

### What would an ideal health care system look like? It would:

- Coordinate substance abuse and mental health.
- Have quality providers.
- Reward primary care.
- Have enough specialists everywhere. Currently there are sufficient numbers of specialists in Sault Ste. Marie but not in the rural areas. Also, more nurse practitioners are needed.
- Would provide dignity in the delivery of care.
- Cover prescription drugs.
- We need to re-import drugs.
- Include vision, dental care, prevention and hospitalization.



- Require less paperwork since there is a lot of paperwork for many public programs and some people can't do it; Medicaid applications are too complex.
- Be simple to register for.
- Not have a stigma like Medicaid.
- Not require physicians to provide free care.
- Require everyone to pay because everyone needs health care.
- Be national health care with one entity.
- Be overseen by the government.
- Be universal since everyone needs health care whether he or she is employed or not.
- Be community-rated so more employers could provide coverage.
- Include public education about costs.
- Include providers, pharmacists, and pharmaceutical companies as part of the solution.
- Look like other countries that have universal health care.
- Nurses from Canada prefer their system to ours.
- Provide everyone with access to health care so they could maximize their potential.
- Are we willing to pay? Everyone said yes.
- There are models that work – we need to copy those.
- Health care should be a right, not a privilege.
- Education about: nutrition, exercise, weight control, public health such as fluoride in the water, community resources like Boys and Girls Clubs that have physical fitness and activities for kids, and the dangers of tobacco use and substance abuse.
- We should have a check-off on our income tax to help subsidize health care for low-income individuals.

## **MARQUETTE – 15 attendees**

**Date: October 27, 2005**

### **Who are the uninsured?**

- The Upper Peninsula is home to many cottage industries and these independent workers are often uninsured.
- Some uninsured work several jobs – some have only seasonal work.
- Some companies don't offer insurance, even some large ones.
- One woman cares for her disabled husband who is on Medicare, but she is uninsured.
- Clinics are seeing more women 50-64 who are uninsured. Some are self-employed, some are housekeepers, hair dressers or Certified Nurse Assistants.
- Minimum wage workers can't afford their share of the premium, even if insurance is offered.
- Access to providers for Medicaid recipients in the UP isn't a problem.
- Dental care is a problem for all Medicaid recipients.

### **Who are the providers and what do they contribute?**

- Most hospitals are critical access with sliding payment scales. Many use rural health clinics.
- There are many primary care sites.
- There are six hospitals that deliver Obstetric care in the UP-they are all Disproportionate Share Hospitals.
- There are six county health departments, but they don't provide primary care.

### **Who should be players in providing health care?**

- Everyone should be involved - Tribal health, veterans, community churches, businesses, pharmaceutical companies, lay nurses in churches, doctors, and health centers. Everyone needs to be at the table to come up with a plan. We need to promote wellness.

### What should be provided in a basic plan?

- Catastrophic care
- Pharmacy
- We don't want a lot spent on administration
- Health maintenance for people with chronic dental conditions
- Prevention
- Screenings (yearly check-ups)
- Everyone needs to have a primary care home that provides access to specialists.

### Who should pay?

- May need to tax everyone.
- We are already paying for the uninsured in many ways.
- Employers should pay something.
- Patients should have co-pays so they only use services they need.
- All citizens should pay something.

### Other Community Solutions to Care for UP

- Medical Care Access Coalition (MCAC) is consensus-driven project
  - 1) Free Clinic Model – there are several in U.P. that provide:
    - In office primary care
    - Specialist consults
    - Pharmacy
    - Radiology lab
    - Dental
    - Urgent care
    - Referrals
  - 2) Project Access Model is a second generation free clinic (a virtual free clinic) with no building or clinic. Marquette has one of these virtual clinics.
  - 3) A multi-share model typically has three or more shares. It isn't insurance, but it defines covered benefits.

### Doctors in UP– all see uninsured

- MCAC asks each Doctor how many uninsured people they will care for. Primary care physicians are asked to take 10 patients, specialists are asked to take 20. One physician said he'd take 50.
- Some physicians would rather do volunteer work than bill Medicaid.
- At the end of the year each doctor gets a letter that says how much free care they provided.
- Liability protection and tax credits may be good idea to get more physicians to volunteer.
- Hospitals will provide free (charity) care.
- It is possible to enroll up to three percent of the population in free care; however, this isn't a permanent solution.
- Florida gives Continuing Medical Education Credits or free licenses to physicians who provide free care.

### **IRON MOUNTAIN – 45 attendees**

**Date: November 2, 2005**

### Who are the uninsured?

15 counties – 1,600 people in the U.P. have Plan A (Adult Benefit Waiver recipients)

- There are 19,000 uninsured in the U.P.
- Part-time workers – some employers keep workers part-time so they don't qualify for coverage.
- Low-income workers – employers can't afford to cover employees.

- Retirees until Medicare age
- People between 55-64 who are let go by their businesses
- Spouses of veterans
- Divorced individuals
- Parents
- Caretakers of disabled individuals
- Employees who can't afford their share of the premiums
- Construction workers
- Logging industry – don't have insurance – they are small companies generally
- Some won't come to the hospital for care because they don't have coverage.
- Some with insurance have such high deductibles they can't afford to pay.
- Seasonal workers are uninsured – they generally don't work year round.
- People with poor dental care lose their front teeth and aren't employable.
- Salvation Army doesn't do adult glasses. Even with coverage, eyeglasses are expensive.
- Many underinsured don't have vision and dental care.

#### Providers

- There is a shortage of dentists in the UP.

#### Where do the uninsured go for care?

- Emergency rooms
- Doctor's offices
- Hospitals for inpatient services (sliding fee scale)
- Many use tribal and free products from pharmaceutical companies which may delay receipt of medication since it is time-consuming and paper-intensive to get prescriptions in this manner.
- There is confusion with pharmacy cards – every card is different.
- Federally Qualified Health Centers (FQHCs) purchase drugs at cost from pharmacies and make them available to patients.
- Many use drug samples to fill their needs.
- There are various Prescription Assistance Programs in the UP. There is a coordinator. Young people self-diagnose via the Internet, then use ER or walk-in clinics if they find they need care.
- Uninsured don't come in until they are really sick.
- Need more care when they come – may need hospitalization that they can't pay for.
- Some clinics have specialists they can refer people to – others can't access specialists or tests.
- If there isn't a local specialist, it may be hard to access one for the uninsured. They can't be referred to a specialist as the insured are.

#### What type of care should be provided?

- Preventive care
- Basic screening
- Affordable pharmacy coverage
- Emergency services
- A single payer system would be good.
- Dental care isn't an emergency but it is needed – need teeth to eat, get a job, keep heart healthy.
- Eye glasses with fashionable frames
- Cosmetic surgery needed as a result of burns
- Dental care is expensive – need to look at needs versus costs
- Substance abuse and mental health care. This is needed to allow people with these conditions to function in society, work, and parent their children.

- Most agreed the uninsured are entitled to the whole spectrum of health care. Some thought cosmetic care, elective cosmetic surgery, breast implants, etc. shouldn't be included in a benefits package.

#### Who should pay for health care?

- Individuals should all pay so they have dignity and independence.
- Milton Friedman said there is no obligation for employers to provide health care.
- Health care costs too much.
- Liability insurance increases costs.
- Insured are paying for uninsured.
- We need to get more efficient use of our health care dollars.
- Drug advertising increases costs.
- Bad life styles increase costs.
- We all want every type of care available.
- High technology, defensive medicine and Health Information Portability and Accountability Act (HIPAA) all increase costs.
- Implementing an electronic medical record is complex and expensive, but helpful.
- One area in UP prohibits smoking inside – this will have an impact on health.
- Some communities are developing trails to encourage exercise.
- Schools can require exercise and provide nutrition education.
- Weight control clinics for kids are needed.

#### What can communities do to provide health care?

- People can help their neighbors; we can't wait for government to solve the problems of the universe.
- Cooperatively we can accomplish much more.
- Have government enhance functioning programs; don't create new ones with new bureaucracies.
- Shore up what is there; don't keep getting new small line items.
- Get rid of what doesn't work and fund what does.
- Fund local programs that take care of the uninsured.

#### Issues unique to U.P.

- There are many cottage industries that cannot afford health care.
- Seasonality of work is an issue.
- The U.P. has an older population.
- Can get primary care easily, but not specialty care. Can't even hire a radiologist in a rural area and one is needed for many types of diagnostic tests.
- Distance is an issue.
- The U.P. has a wide and deep system of health care through MCAC.

#### **GRAND RAPIDS - 65 attendees**

**Date: November 14, 2005**

- Kent County has a history of addressing health issues. They added "Dental Assistance Plan".
- "Project Access" provides coordinated health care.
- Putting a face on the uninsured: The uninsured could be: someone in your high school, a part-time checkout clerk, or your best friend. Many single adults without children are uninsured.
- Right now, people stay in stressful jobs just to keep their health insurance.
- We need more preventive and self-care, along with better access to Physician Assistants and Nurse Practitioners.
- Health care is a basic right.

- We need to put a human face on the uninsured.
- Our current health care problem is not a lack of resources, but how we distribute them.
- Physicians, who have organized themselves to provide free care in Grand Rapids, have treated 150 patients since April 2005. People call when they need primary care. These physicians try to prevent cases from progressing to the point where the patient needs treatment at an emergency room. Patient education is an issue, because they don't know how to navigate the health care system to find services.
- "Emergency" Medicaid doesn't cover very much. The treatment of chronic diseases, such as diabetes, needs more consideration. Diabetics need to be tested on a regular basis. The uninsured need better access to subspecialty care. Significant language barriers prevent access to health care for the uninsured. Nine different languages are currently spoken in Grand Rapids.
- Access to dental services is a big problem for the uninsured in Grand Rapids.
- The system will soon face the large "Baby Boomer" problem, which will swell the ranks of the elderly as a share of the population and we cannot afford that since the elderly traditionally require more care.
- A small business owner offered health insurance to his employees for the first time in November of 2002. One year later, the insurance company increased their premium 42%. Then, in June of 2004, they increased it by 23.9%, and in 2005 again another 13%. Now he's paying twice the premium he started with and can't afford it. He has searched around and can't find a more affordable policy for his employees.
- The uninsured are more likely to need, but less likely to access substance abuse services. People with substance abuse and mental health problems may not be able to hold down jobs. There is a \$7 dollar return to the community for each dollar invested in substance abuse and mental health treatment services. This is often overlooked, because the benefit goes to the entire community, not just to the health care system. A good portion of the return goes to the criminal justice system.
- One individual pointed out that many of the health service providers in the room had been successful in partially solving the specific problems of their particular patients, but that this piecemeal approach left too many individuals' problems unaddressed. He concluded that only a single-payer system design could provide appropriate health care to everyone.
- Medicaid offers the best model to work with in meeting the needs of the uninsured particularly because of the federal matching payments available through the program, which greatly reduces the state's cost of covering the uninsured. However, we need to address several problems with Medicaid, such as: the negative attitude toward welfare, long waiting times for eligibility determinations, and the complexity of forms and procedures. He believes distributing a computer-based eligibility program would help to solve these problems and increase the number of uninsured brought into Medicaid. The former Family Independence Agency placed social workers in hospitals to assist in determining patient eligibility for Medicaid. This approach worked well for everyone, because patients didn't receive a bill and the hospitals increased their bottom lines. We should start by expanding Medicaid and move toward a single-payer system of providing health care.
- Co-pays for poor people make no sense.
- There is a downside to a national health plan. The problem is that citizens of countries with universal coverage are heavily taxed. Americans are not efficient users of health care services.
- Medicaid paying low rates to providers is a problem
- Would like to see Michigan apply for a federal waiver to leverage additional federal dollars as other states have.
- The county currently runs a third-share program where \$55 per month is paid by each: the employer, the employee and from community resources.
- The problem with the current system is that it's like a delicate web. If one thread is cut, you're out of luck.
- There is a major problem in finding services for dually diagnosed patients having both a substance abuse problem and a psychiatric diagnosis. Standard medical practice is to treat the substance abuse problem first. Once that is stabilized, you treat the psychiatric problem. Service providers, however, do not consider a dual diagnosis to be an immediate need, which must exist for the patient to qualify for treatment.
- We are losing jobs to Canada, because companies moving there don't have to pay for their employees' health care insurance. For example, Grand Rapids lost one company when it moved to Canada.

- One-half of U.S. bankruptcies are due to unpaid medical bills.
- A large part of the problem is high administrative expenses caused by too many insurance companies. Canada, with its single-payer system has per capita administrative costs of \$307, in contrast with U.S. per capita administrative costs of \$1,500. He believes adopting a single-payer system in the U.S. would lower administrative cost and the cost of health care in general.
- Preventive care must be covered.
- Those signing up for health insurance, including Medicaid, should receive patient education. This would decrease patient abuse of the system, create patient respect and improve coordination of care.
- We must reduce the paperwork burden on providers. Doctors in the area won't take Medicaid patients. We need more managed care and personal responsibility.
- It's sobering that we're having the same conversations about the uninsured now that we had five years ago. The only thing that's changed is that the number of uninsured has risen. The same old problem of massive cost shifting still exists.
- The core problem is that we're using more health care and that we need to lower our overall health care bill.
- Services of interpreters are needed when non-English speaking patients see providers.
- Physicians are supposed to have an interpreter for non-English speaking patients. The problem, however, is that they're required to have a "certified" interpreter. Because the physician would have to pay the certified interpreter more than what they receive for treating the patient, they are really "paying" to see the patient if they have an interpreter.
- Translation services must be at a level that patients can understand.
- Individuals must be responsible for their health care. There must be economic incentives to engage in healthy life styles.
- Cultural and economic factors often get in the way of individuals doing what makes sense from a health perspective. For example, poor people often can't shop for healthy food, because of their limited budgets. Also, despite current concerns over child obesity, some cultures see a "fat" baby as a good thing.

### **MACOMB COUNTY – 40 attendees**

**Date: December 14, 2005**

- Concern was expressed about there being a co-pay with the Adult Benefit Waiver since this covers people who live at 35% of poverty.
- People with minimum wage jobs can't get health coverage.
- Everyone is in need of health coverage. We are the only industrial nation without universal coverage.
- There is no second tier program for families just above the income guidelines.
- Some of the costs for those with health insurance and for auto insurance are due to the costs of the uninsured.
- We need to do something about drug advertising; it is driving up the cost of drugs.
- Auto companies are being bankrupted by costs of drugs and health care.
- We should tax companies who don't provide health care to their employees.
- Small business can't provide health care because of costs.
- Need a statewide solution and to look at what is good for society.
- We need to lead healthy lifestyles and reduce costs of health care.
- Free clinics are seeing more people all the time.
- Insurance salesman said the mandates that certain benefits be covered increases costs. Perhaps we should revisit the law.
- Pre-existing conditions are a problem.
- Underwriting criteria is very strict so if someone has a condition, premiums are very high.
- Free clinics are heavily used.
- The Medicaid Deductible program is a problem since many don't have the funds for the deductible.

- We need universal health care.
- Prescription Resource Network (PRN) is a good program. Macomb is providing money for the PRN program but it is very costly. Hospitals are helping to keep this program going. It keeps the uninsured out of emergency rooms.
- We need to have preventive care – breast and cervical cancer screening are critical.
- [www.macombresources.info](http://www.macombresources.info) is a good resource.
- 211 is a real asset and is beginning in Macomb County.
- Uninsured families have to choose between food, medicine, and childcare.
- We need to simplify applications for health care since the complex applications keep people from applying for Medicaid.
- We need to simplify administrative process for citizens.
- Substitute teachers and paraprofessionals don't have health care. We need to have a reasonably priced plan for healthy adults.
- Malpractice seems to be an issue but there has already been substantial tort reform.

## APPENDIX V

### LOCAL PARTNERS WHO ASSISTED WITH TOWN HALL MEETINGS

#### **Bad Axe**

Huron Memorial Hospital

#### **Detroit**

Blue Cross Blue Shield of Michigan  
Detroit Community Health Connection  
Detroit Wayne County Health Authority  
Mercy Primary Care Center  
Michigan Legal Services  
Paraprofessional Healthcare Institute  
United Auto Workers  
United Health Organization  
United Way Community Services  
United Way for Southeastern Michigan  
Virginia Park Citizens Service Corporation

#### **Flint:**

Genesee Health Plan  
Genesys Health System  
Greater Flint Health Coalition  
Health Access  
WJRT ABC-12

#### **Gaylord**

Connie Rieger – State Planning Project for the Uninsured Community Interface Workgroup member

#### **Grand Rapids**

Alliance for Health  
Cherry Street Services  
Delta Strategies  
Evert Vermeer - retired Kent County Social Services Director and AARP Legislative Committee  
Grand Rapids Chamber of Commerce  
Grand Valley State University  
Greater Grand Rapids African-American Health Institute  
Hope Network  
Kent County Health Department  
Kent Health Plan Corporation  
Marshall Islands Ministry of Health  
Mel Trotter Ministries  
Network 180  
Pinnacle Insurance Partners of Grand Rapids  
Priority Health  
Saint Mary's Health Care  
Spectrum Health  
The Employers Association  
United Way of Kent County  
Varnum Riddering Schmidt and Howlett



**Hillsdale**

Community Action Agency of Jackson, Hillsdale and Lenawee Counties  
St. Peter's Free Clinic in Hillsdale

**Iron Mountain, Marquette & Sault Ste. Marie**

Community Health Action Coalition  
CTW Consulting  
Medical Care Access Coalition

**Kalamazoo**

Borgess Health Alliance  
Family Health Center - Kalamazoo  
Kalamazoo County Department of Human Services  
Kalamazoo Health Department

**Macomb**

American Federation of State, County and Municipal Employees  
Beaumont Hospitals  
Central Macomb Chamber of Commerce  
Detroit Regional Chamber  
Eastpointe Area Chamber of Commerce  
Macomb Chamber of Commerce  
Macomb County Community Mental Health  
Macomb County Community Services Agency  
Macomb County Department of Human Services  
Macomb County Health Care Plan  
Macomb County Health Department  
Macomb Intermediate School District  
MEA Local 1  
Metro East Chamber of Commerce  
Michigan AFSCME Council 25  
Michigan Department of Human Services  
Mount Clemens General Hospital  
Office of Congressman Sander Levin  
Paraprofessional Healthcare Institute  
Paul Gielegheem – Macomb County Commissioner  
Robert Deneweth – Health and Human Services Consultant  
Romeo Washington Chamber of Commerce  
Susan Doherty – Macomb County Commissioner  
St. John Health  
St. Joseph Hospital  
Sterling Heights Area Chamber of Commerce  
UAW Region 1  
Warren Woods Public Schools and Tower High School